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C O N F I D E N T I A L SECTION 01 OF 02 COLOMBO 000637

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DEPARTMENT FOR SA, SA/INS, INR/NESA
DEPARTMENT PLEASE ALSO PASS TOPEC
NSC FOR E. MILLARD

E.O. 12958: DECL: 04-14-14
TAGS: PGOV PINS PINR CE
SUBJECT: Sri Lanka: President swears in new Cabinet amid dispute with key coalition partner

- Refs: (A) Colombo SA/INS 04-14-04 unclass email
- (B) Colombo 620, and previous
- (U) Classified by Ambassador Jeffrey J. Lunstead. Reasons 1.5 (b, d).
- 11. (C) SUMMARY: President Kumaratunga swore in Sri Lanka's new Cabinet on April 10. As expected, the President kept control of the defense and internal security portfolios, while key SLFP advisers received most of the other top portfolios. The radical JVP, a key SLFP ally in the recent campaign, boycotted the ceremony in a dispute over the ministries it was to receive. The dispute may be papered over quickly and several JVP ministers sworn in soon, but, even if that happens, there is little doubt that the SLFP-JVP coalition is inherently fragile. END SUMMARY.
- 12. (SBU) NEW CABINET SWORN IN: President Chandrika Bandaranaike Kumaratunga named her new Cabinet, swearing in 31 ministers and roughly 30 deputy ministers on April 10. (A full list of the ministerial appointments is contained in Ref A.) The swearing in ceremony at the President's House in the Fort area of Colombo was delayed several hours due to a dispute with the Marxist Janatha Vimukthi Peramuna, "JVP," a key partner in the President's United People's Freedom Alliance (UPFA) coalition. In the end, the swearing in ceremony went forward despite the JVP's decision to boycott the occasion.
- 13. (SBU) As expected, the President kept control of the defense and internal security (formerly interior) portfolios, while key Sri Lanka Freedom Party (SLFP) advisers received most of the other top portfolios (foreign ministry, finance, trade, etc.). (The President also took control of the constitutional affairs and education ministries.) Most of the rest of the ministerial positions were awarded to SLFP MPs, as well as members of other parties that had supported her alliance in the April 2 election. Separate from the portfolios slated to go to the JVP (see below), several additional ministries including those connected with north/east rehabilitation, Buddhist affairs, and the upcountry tea plantations also remain without ministerial appointments.
- 14. (SBU) Key appointments in the new Cabinet follow (bio-data on key ministers will be provided via Septel):
- -- Prime Minister Mahinda Rajapakse was also made Minister of Highways.
- -- Lakshman Kadirgamar was appointed as Foreign Minister, the same position he held in the President's People's Alliance government from 1994-2001.
- $\mbox{--}$ Sarath Amunugama, SLFP spokesman and a senior MP, was appointed Finance Minister.
- -- Mangala Samaraweera, a senior SLFP MP and a former minister, was appointed Minister of Ports and Aviation.
- -- Anura Bandaranaike, President Kumaratunga's brother and a former minister, was appointed Minister of Industry, Tourism, and Investment Promotion.
- -- Jeyaraj Fernandopulle, a senior SLFP MP, was named Minister of Trade, Commerce, and Consumer Affairs.
- -- Ferial Ashraff, head of the Muslim National Unity Alliance (NUA), was appointed as Minister of Housing and Construction Industry, Eastern Province Education, and Irrigation Development.
- -- Douglas Devananda, head of the anti-Tamil Tiger Eelam People's Democratic Party (EPDP), was appointed Minister of Agricultural Marketing Development, Hindu Affairs and Tamil Language Schools and Vocational Training (North).

 15. (C) DISPUTE WITH JVP: In a sign of the fragility of

the UPFA coalition, the JVP boycotted the April 10 ministerial oath-taking due to differences with the President over four cabinet portfolios (National Heritage and Culture, Fisheries and Aquatic Resources, Rural Economy and Agriculture, and Lands and Irrigation) originally allotted to them. Officially, the JVP's absence from the ceremony was due its leaders' participation in a rally commemorating the JVP's 1971 armed insurrection. According to contacts, however, JVP members boycotted the swearing in ceremony because significant portions of the portfolios that had been assigned them had been re-assigned to other ministries. For example, the JVP was angered that the Mahaveli (interior river system) Development sector had been removed from the agriculture ministry. In addition to the complaints regarding Cabinet portfolios, the JVP was also reportedly unhappy that Mahinda Rajapakse had been named PM, over Lakshman Kadirgamar or even another member of the SLFP. (Rajapakse, who hails from southern Sri Lanka, is a long-standing foe of the JVP, which is strong in that region.)

- 16. (SBU) In an effort to resolve the dispute with the JVP, the President has established a five-member committee. At present, the President is refraining from further discussions with the JVP until she receives the recommendations from this committee. There has been no indication from the committee, as of yet, regarding any schedule of meetings or date to present a report to the President.
- 17. (C) COMMENT: The SLFP/JVP dispute may be papered over quickly and several JVP ministers sworn in soon, but, even if that happens, there is little doubt that the SLFP-JVP coalition is inherently fragile. The JVP, after immense electoral success, is clearly feeling its oats and will bicker with the SLFP if it feels its voice is not being heard. At the same time, President Kumaratunga is a brutal political infighter and almost certainly will not bow down to the JVP if she can help it. All of this does not bode well for amity in the coalition. In the meantime, the President has other troubles. Although she has now appointed ministers for her new government, her coalition has yet to attain a majority in the Parliament. At present, her UPFA alliance is still seven seats short of the minimum 113 seats necessary. During a April 11 meeting with a visiting U.S. Congressional delegation, Prime Minister Mahinda Rajapakse told Representative Dreier that establishing the UPFA's majority status was his top priority before the new Parliament convenes on April 22. Our guess is that majority status for the UPFA is attainable, but it may take a lot more bargaining with smaller parties. END COMMENT.
- 18. (U) Minimize considered.

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